



Patrick W. Henning, Director



Arnold Schwarzenegger  
Governor

June 23, 2008  
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Ms. Mary Donovan, Employment and Training Manager II  
Marin Employment Connection  
120 N. Redwood Drive, 3<sup>rd</sup> Floor  
San Rafael, CA 94903

Dear Ms. Donovan:

**WORKFORCE INVESTMENT ACT  
FISCAL AND PROCUREMENT REVIEW  
FINAL MONITORING REPORT  
PROGRAM YEAR 2007-08**

This is to inform you of the results of our review for Program Year (PY) 2007-08 of the Marin Employment Connection's (MEC) Workforce Investment Act (WIA) grant financial management and procurement systems. This review was conducted by Mr. Dave Ajirogi from May 19, 2008, through May 23, 2008. For the fiscal portion of the review, we focused on the following areas: fiscal policies and procedures, accounting system, reporting, program income, expenditures, internal control, allowable costs, cash management, cost allocation, indirect costs, fiscal monitoring of subrecipients, single audit and audit resolution policies and procedures for its subrecipients and written internal management procedures. For the procurement portion of the review, we examined procurement policies and procedures, methods of procurement, procurement competition and selection of service providers, cost and price analyses, contract terms and agreements, and property management.

Our review was conducted under the authority of Section 667.410(b)(1), (2) & (3) of Title 20 of the Code of Federal Regulations (20 CFR). The purpose of this review was to determine the level of compliance by MEC with applicable federal and state laws, regulations, policies, and directives related to the WIA grant regarding financial management and procurement for PY 2007-08.

We collected the information for this report through interviews with representatives of MEC, a review of applicable policies and procedures, and a review of documentation retained by MEC for a sample of expenditures and procurements for PY 2007-08.

**BACKGROUND**

The MEC was awarded WIA funds to operate a comprehensive workforce investment system by way of streamlining services through the One-Stop delivery system. For

PY 2007-08, MEC was allocated: \$302,403 to serve 153 adult participants; \$217,481 to serve 93 youth participants; and \$348,285 to serve 21 dislocated worker participants.

For the quarter ending March 31, 2008, MEC reported the following expenditures and enrollments for its WIA programs: \$270,746 to serve 127 adult participants; \$187,006 to serve 56 youth participants; and \$300,053 to serve 20 dislocated worker participants.

### **FISCAL REVIEW RESULTS**

We conclude that, overall, MEC is meeting applicable WIA requirements concerning financial management.

### **PROCUREMENT REVIEW RESULTS**

We conclude that, overall, MEC is meeting applicable WIA requirements concerning procurement.

This report contains no findings or concerns; therefore, we are issuing this report as the final report.

Because the methodology for our monitoring review included sample testing, this report is not a comprehensive assessment of all of the areas included in our review. It is MEC's responsibility to ensure that its systems, programs, and related activities comply with the WIA grant program, Federal and State regulations, and applicable State directives. Consequently, any deficiencies identified in subsequent reviews, such as an audit, would remain MEC's responsibility.

Please extend our appreciation to your staff for their cooperation and assistance during our review. If you have any questions regarding this report or the review that was conducted, please contact Mr. Jim Tremblay at (916) 654-7825 or Mr. Dave Ajirogi at (916) 657-4591.

Sincerely,



JESSIE MAR, Chief  
Compliance Monitoring Section  
Compliance Review Division

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